

**From:** Ladd Van Tol <ladd@spiny.com> on 03/31/2004 10:40:57 AM  
**Subject:** Regulation BB - Community Reinvestment Act

Docket No. R-1181  
Jennifer J. Johnson; Secretary  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue, NW  
Washington DC 20551

March 31, 2004

Dear Ms. Johnson:

As a banking customer I would like to urge you to change your proposed Community Reinvestment Act (CRA) regulation before finalizing it. I believe you need a stronger predatory lending standard and I believe you should keep the small bank definition as it is at \$250 million in assets.

I hate rip-off lenders who do what you call "asset-based lending" and try to force borrowers into foreclosure so they can take over their homes. However, there are a whole bunch of other ways that seemingly good banks take advantage of customers who don't understand the loan process. I think the regulators should use the CRA exams to penalize lenders who push high cost loans with high fees and those who get you into a bad loan and then try to flip you into an even worse loan. I hate prepayment penalties that keep you from getting out of a bad loan and single premium credit insurance policies that cost a lot and don't really help the customer. Lower a bank's CRA rating when they do stuff like that.

The big banks are getting so big that to think they would actually do much for regular folks is a joke, so I hope you will pay more attention to the smaller banks. They can do more if the regulators would only encourage the larger of the small banks to support community development lending and investments in smaller communities. Keeping them on the large bank CRA exam will do more to encourage reinvestment in the community than letting them take the small bank exam does. I'm asking you not to raise the asset threshold definition of a small bank. I believe that it is important for the larger small banks, which have more reason to pay attention to rural communities, to continue to be examined under the CRA large bank exam.

Thank you very much for paying attention to my concerns.

Sincerely,

Ladd Van Tol  
ladd@spiny.com

1811 NW Couch #208  
Portland, OR 97209

